

FISCAL IMPACT STATEMENT ON BILL NO. **S.61**

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TO:	The Honorable John E. Courson, Chairman, Senate Education Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Bryce Wilson		
DATE:	January 31, 2005	SBD:	2005084

AUTHOR:	Senator Sheheen	PRIMARY CODE CITE:	59-110-10
SUBJECT:	South Carolina College and University Board of Regents		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:
See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:
\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

This Bill amends the Code of Laws by adding chapter 110 to Title 59 so as to establish the South Carolina College and University Board of Regents effective July 1, 2005. The Bill further provides for the membership, powers, duties and responsibilities of the Board of Regents while devolving the powers, duties and responsibilities of the State Commission on Higher Education (CHE) and the State Board for Technical and Comprehensive Education (SBTCE) upon the Board.

EXPLANATION OF IMPACT:

The Commission on Higher Education (CHE) and the State Board for Technical and Comprehensive Education (SBTCE) indicate enactment would result in a minimum net first year impact \$354,200. This estimate includes six additional FTEs in the areas of finance (1), legal services (1), facilities (1), and student services (3). Salary and fringe for these six FTE's is estimated at a total cost of \$530,000. Annual operating costs are estimated at \$16,200. The staff are anticipated due to the additional responsibilities for the Board for Regents that currently do not exit for either the Commission on Higher Education or the State Board for Technical and Comprehensive Education.

Annual savings anticipated from eliminating the 11 board members is \$22,000. In addition, the elimination of one Executive Director is estimated to save approximately \$170,000. Therefore, the net impact on the General Fund of the State is estimated at \$354,200 (\$546,200 - \$192,000). The new Board of Regents may also realize some additional cost reductions from the consolidation of administrative functions that are not reflected in this impact estimate.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget